

2021 ONE MERCK PROGRAM

JANUARY 1 - DECEMBER 31, 2021

Creating comprehensive solutions.

At Merck Animal Health, we know veterinarians are responsible for the future of our industry. That is why we offer business programs supporting your efforts to ensure the health of the herds you serve.

REBATED CATTLE PRODUCTS

PREVENTION TOOLS

Vista® family
Once PMH®
Guardian®
Nasalgen® IP
Vision® family
Cavalry® 9
Covexin® 8
Bovilis® family
Piliguard®
L5 SQ, VL5 SQ
M. Bovoculi Bacterin

PARASITE CONTROL

Panacur® (fenbendazole) products
Safe-Guard® (fenbendazole) family
Double Barrel VP®
Dominator®
Grenade® ER
Boss® family
Saber™ family

PERFORMANCE TECHNOLOGIES

Revalor® family
Ralgro® (zeranol)

REPRODUCTION MANAGEMENT

Estrumate® (cloprostenol sodium)
Fertagyl® (gonadorelin)
Chorulon® (chorionic gonadotropin)

TREATMENT SOLUTIONS

Amoxi-Mast®
Orbenin-DC®
Zuprevo® (tidipirosin)
Resflor Gold® (florfenicol and flunixin meglumine)
Banamine® Injectable (flunixin meglumine)
Banamine® Transdermal (flunixin meglumine)
BO-SE® and MU-SE®

Nuffor® and ShutOut® will not be rebated but will serve as volume builders.

Only those products and product categories that are expressly stated in this rebate Program and its supporting documents ("Program") will be rebated. Non-rebated products will serve as volume builders. For a complete list of products please request a catalog from a Merck Animal Health Sales Representative, Animal Health Authorized Supplier or Distributor, visit www.merck-animal-health-usa.com/cattle or call Merck Animal Health Customer Service at 800-521-5767.

ELIGIBILITY

This Program is exclusive for large animal and mixed practice veterinary clinics. Participants confirm that the products will be used for patients under their care. Products should be dispensed by veterinary clinics under a legitimate veterinarian-client-patient relationship as defined by the American Veterinary Medical Association (AVMA). This Program is intended for the reseller class of trade and, with respect to resellers of MAH cattle Products, is not intended for buying groups as single entities unless such entity legally documents common ownership to achieve tier status. The foregoing restriction does not apply to resales of MAH companion animal products to such buying groups. Merck Animal Health reserves the right, in its sole but reasonable discretion, to designate or refuse to designate any such entity as a buying group under the Program. Merck Animal Health's determination shall be final.

Participants in this Program must adhere to the Merck Animal Health Distribution Policy which includes, but is not limited to no resale through catalogs, the Internet, farm stores and/or similar outlets, and no resale through any other distributor channel. Those accounts enrolled in corporate agreements, upfront pricing agreements, regional distributors, retail accounts, non-profit organizations and government entities are ineligible to participate in this Program. All Merck Animal Health purchases must be made from Authorized Distributors to be eligible for rebates under this Program.

To qualify for payment, participants must comply with all terms within this Program and any other applicable terms related to this Program. Offer is void where prohibited by law.

MERCK ANIMAL HEALTH PRICING POLICY - LIVESTOCK PRODUCTS - ONE MERCK CUSTOMERS

This Merck Animal Health Pricing Policy for Livestock Products (this "Policy") applies to resellers ("Reseller") under the One Merck program of Merck Animal Health livestock products located in the United States. This Policy covers each product included on this sell sheet. Merck Animal Health reserves the right to supplement, amend or otherwise change this list of products from time to time. Product pricing, including suggested resale prices, to be provided separately.

The intent of this Policy is to (i) encourage Resellers to continue to provide the high level of services and infrastructure which our end-use customers expect and deserve, (ii) encourage Resellers to invest in the promotion and service of the Covered Products, (iii) promote interbrand competition between the Covered Products and third-party products, and (iv) maintain the premium brand image of the Covered Products and the goodwill of consumers.

While each Reseller remains absolutely free to set its resale prices for Covered Products independently and in its sole discretion, Merck Animal Health reserves the right to take certain unilateral actions in response

TERMS AND CONDITIONS

to a Reseller who advertises or sells Covered Products at a price below the Suggested Minimum Resale Price for such Covered Products, as contained in the then current list of products. The applicable price shall take into consideration ALL offered discounts and rebates, other than such discounts or rebates which Merck Animal Health may expressly authorize a Reseller to provide below the Suggested Minimum Resale Price.

This Policy is unilateral and does not represent an agreement between Merck Animal Health and any Reseller, and Merck Animal Health does not and will not seek or accept agreement with respect to resale prices. As such, this Policy is non-negotiable and individual representatives are not authorized to alter, waive, modify or negotiate this Policy. Resellers are free to advertise and sell any Covered Product at a price of their own choosing, however, non-compliance may result in the following consequences as Merck Animal Health may take in its sole discretion, including without limitation:

- Reseller's acquisition price for the Product(s) in question under any current agreement with Merck Animal Health, including the One Merck program, may be increased by not more than 10% for a period not to exceed 90 days.
- Reseller's right to purchase the Product(s) in question under any current agreement with Merck Animal Health, including the One Merck program, may be suspended for a period not to exceed 90 days.
- Repeated instances of non-compliance may result in Merck Animal Health terminating Reseller's right to purchase any Merck Animal Health Product, including the Product(s) in question, under any current agreement with Merck Animal Health, including the One Merck program.

Merck Animal Health may amend or withdraw this Policy in its sole discretion. Merck Animal Health may append this Policy to an agreement with Reseller strictly as a convenience to ensure that Reseller has fully read and understood this Policy. This Policy will not be considered a part of any such underlying agreement to which this Policy is appended.

ENROLLMENT PROCESS

All participants in the 2020 One Merck Veterinarian Rebate Program that achieved Tier 1 or higher with a minimum of \$30,000 qualified purchases are automatically enrolled for 2021. The 2021 tier level is defined by purchases made in 2020. New enrollees who did not achieve Tier 1 status in 2020 may join at any time by submission and acceptance of the enrollment form. Purchases will be eligible for rebate retroactive to the first day of the year.

TIER LEVELS

Cattle Tier level is determined based on purchases of cattle and equine products. Purchases of equine products ONLY are volume builders for cattle tier level achievement. If purchases are tracking below enrolled level, Merck Animal Health reserves the right to reconcile previous payments at any time and re-enroll on lower levels. At any time during the program period, enrollment at a higher tier is acceptable. Purchases will apply to the new level, retroactive to the first day of the year (dollar one). Customers that achieve a higher tier level at the end of the program will have rebates automatically recalculated at the final level reached.

VETERINARIAN REBATE PAYMENTS

Rebate checks will be processed and mailed monthly for accounts enrolled to purchase at least \$100,000 annually. All other accounts will receive quarterly

payments. Rebates must accumulate to \$100 before a check will be issued. Allow six weeks for your rebate to be processed.

PROOF OF PURCHASES

Merck Animal Health shall own and be entitled to use information related to the veterinarian's purchases of products under this Program. Only EDI data submitted by authorized distributors will qualify as proof-of-purchase. No other source of information will be accepted. The EDI data will be final and binding to participants.

INVOICE DATA AND BACKORDERS

Eligible purchases must be invoiced and shipped by December 31, 2021. In addition, no rebates will be paid for products listed as a backorder.

*BRAVECTO, SENTINEL AND NOBIVAC REBATES

Quarterly rebates will be paid on quarterly Nobivac® Program valid for veterinary accounts that pay full vet retail price. Clinic may also take advantage of other commercial offers within the year. Enrollment Sign up period is anytime from January 1st to September 30th, 2021.

Cash Rebate: There are three different types of rebate payments:

- Quarterly rebates paid 60 days after Q1, Q2, and Q3. Quarterly rebates apply to all quarters after the account sign-up
- Year-end rebate will be paid within 60 days at the conclusion of 2021. All rebates are paid to registered accounts only. Purchases made within the quarter the clinic signs up for the program and thereafter will be included. Total qualifying purchases will be included in the year-end rebate reconciliation.
- Growth rebates will be calculated when PerPETual Loyalty Participants reach Level 1 of either Bravecto/Sentinel and/or Nobivac categories. The growth rebate is paid out at year-end with the year-end rebate.

Quarterly Cash Rebates: A quarterly rebate of 7% will be paid on qualifying Nobivac purchases once the account has purchased a quarterly minimum of \$7,000 in Nobivac vaccines. A quarterly rebate of 1% will be paid on qualifying combined Bravecto and Sentinel purchases once the account has purchased a quarterly minimum of \$15,000 combined in Sentinel and Bravecto. Quarterly rebates will be paid within 60 days at the conclusion of Q1, Q2 and Q3. Rebate checks will be paid when the minimum amount of \$150 is exceeded (or reached). Year-End Cash Rebates: The year-end rebate will be paid within 60 days at the conclusion of 2021 and will consist of the total rebate level the account has achieved MINUS the quarterly rebate payments made during the year. Year-end rebates will be paid only on vet retail purchases.

Merck Animal Health shall own and be entitled to use information related to the clinic's purchase of products under the program. Participation in the 2021 PerPETual Loyalty Program is valid only for clinics in the fifty (50) United States or the District of Columbia only.

DISCLAIMERS

Merck Animal Health reserves the right to decline the enrollment of any participant, refuse the payment of any rebates or recalculate any previous or future payments, at their sole discretion. Merck Animal Health further reserves the right to modify, expand, reduce, extend or cancel the Program upon 30 days written notice to customers in the Program.

Tier Level

☐ **Cattle**
Tier _____

☐ **Companion Animal**
Bravecto Tier _____
Nobivac Tier _____

☐ **Equine**
Tier _____

Enrollment Form

Name: _____

Customer SAP/HIN: _____

Practice Name: _____

Rebate Mailing Address: _____

City: _____

State: _____ Zip: _____

Signature: _____

Date: _____

Email Address: _____

☐ I hereby consent to receive email from Merck Animal Health on products/programs and scientific information. You may click the unsubscribe link in your email at any time to opt out.

Enrollment forms must be submitted to:

2021 OneMerck Program
2 Giralda Farms
Madison, NJ 07940
Email: salesdata@merck.com

See Terms and Conditions for details. All Merck Animal Health products are included on this offer, unless otherwise stated.

Increase your opportunities with **Equine**.

*With purchases in these amounts of all our equine vaccines & pharmaceuticals.
Regumate® is excluded for rebates, but will serve as a volume builder for tier level.

TIER 1	TIER 2	TIER 3
\$5,000	\$10,000	\$20,000
2%	6%	12%

Find your Bravecto® & Sentinel® potential

QUARTERLY REBATE	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4
\$7,000	\$25,000	\$37,000	\$55,000	\$80,000
7%	10%	15%	20%	35%

Include your Nobivac® protection

QUARTERLY REBATE	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4
\$15,000	\$55,000	\$75,000	\$110,000	\$160,000
1%	1%	2%	3%	4%

2021 Companion Animal Year-End Growth Rebate

Incremental Purchases	Growth Rebate on Total Program Purchases Back to Dollar One
\$50,000	2%
\$75,000	3%
\$100,000	4%